



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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November 18, 1994

Mr. Barry Katona  
General Manager  
Centurion Mines Corporation  
331 Rio Grande Street, Suite 201  
Salt Lake City, Utah 84102

Re: Notice of Intention to Commence Small Mining Operations, Mammoth Mine,  
S/023/041, Juab County, Utah

Dear Mr. Katona:

Thank you for your Notice of Intention to Commence Small Mining Operations, received by the Division on November 7, 1994. The application for the proposed Mammoth Mine, located in Sections 19 and 30, T10S, R2W, SLBM, Juab County, Utah is complete and no additional information is required at this time.

The Notice contained several requests for variances from the Operation Practices and Reclamation Practices rules. Due to the pre-existing disturbances and pre-existing structures at this site, these variance requests are reasonable and justified. The Division hereby grants the variances requested by Centurion Mines Corp. as listed in pages one through three in Exhibit B of this submission.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices", and the statutory penalty for failure to reclaim a minesite (SMO-1).

Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements.





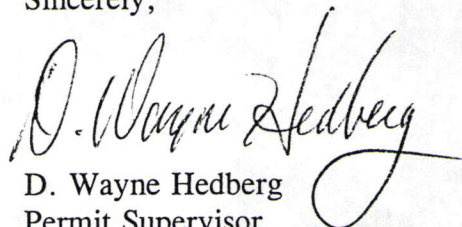
Page 2  
Barry Katona  
S/023/041  
November 18, 1994

A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.

Approval of mineral exploration or mining operations by the Division of Oil, Gas and Mining does not constitute approval to commence operations upon lands under state mineral leases administered by the School and Institutional Trust Lands Administration/school sections. Before conducting mining operations on state leased lands, the operator must provide formal written notification, meet bonding requirements, and obtain written approval from the School and Institutional Trust Lands Administration. Please contact them for their requirements. Their address is: School and Institutional Trust Lands Administration, 355 West North Temple, Suite 400, Salt Lake City, Utah 84180-1204; phone number (801) 538-5508.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

  
D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure

cc: Kiran Bhayani, DWQ w/NOI  
Roger L. Bon, UGS  
Minerals File

S023041



#### IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed.

#### Failure to Reclaim

Section 40-80-14 (6), of the State of Utah Mined Land Reclamation Act, states the following:

If the operator of a small mining operation fails or refuses to carry out necessary land reclamation as required by this chapter and the rules of the Board; the Board, after notice and hearing, may order that:

- (a) reclamation be conducted by the Division;
- (b) the costs and expenses of reclamation, together with the costs of collection, including attorney's fees, be recovered in a civil action brought by the Attorney General against the operator in any appropriate court.